

J.C. Watts, Jr.  
Chairman  
4th District, Oklahoma

*House Meets at 10:00 a.m. for Legislative Business*

*Anticipated Floor Action:*

**Motion to Instruct Conferees on H.R. 1501 (Consequences for Juvenile Offenders Act)**

**H.R. 1402—Federal Milk Marketing Order Implementation Act**



**Motion to Instruct Conferees on H.R. 1501 (Consequences for Juvenile Offenders Act)**

**Floor Situation:** The House will consider a motion by Ms. Lofgren to instruct conferees on H.R. 1501 as its first order of business today. Such a motion may be offered as a privileged matter after a measure has been in conference for 20 days; it is debatable for one hour. The motion is non-binding (i.e., it states the House's opinion on a matter but does not *require* any particular action from House conferees).

**Summary:** The motion, if agreed to, instructs conferees on H.R. 1501 to recommend a conference substitute that (1) includes a loophole-free system to ensure that no criminals or other prohibited purchasers (e.g., murderers, rapists, child molesters, fugitives from justice, undocumented aliens, stalkers, and batterers) obtain firearms from non-licensed persons and federally licensed firearms dealers at gun shows, (2) does not include provisions that weaken current gun safety law, and (3) includes provisions that aid in enforcing current laws against criminals who use guns.

H.R. 1501 passed the House by a vote of 287-139 on June 16, 1999; the Senate passed a similar measure (S. 254) by a vote of 73-25 on May 20, 1999. The House appointed conferees on July 30.

**Additional Information:** See *Legislative Digest*, Vol. XXVIII, #17, June 11, 1999.



## H.R. 1402—Federal Milk Marketing Order Implementation Act

**Floor Situation:** The House will consider H.R. 1402 after it considers the motion to instruct conferees on H.R. 1504. Yesterday, the House adopted a structured rule that provides one hour of general debate, equally divided between the chairman and ranking minority member of the Agriculture Committee. The rule made in order a committee amendment in the nature of a substitute as base text and self-executed a manager's amendment to make several changes to the bill. The rule makes in order eight other amendments, debatable in the order listed and for the amount of time specified below, and waives all points of order against them. The chairman of the Committee of the Whole may postpone votes and reduce the voting time on a postponed vote to five minutes, so long as it follows a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

**Summary:** H.R. 1402 requires the Agriculture Secretary to implement the Class I "Option 1-A" milk price structure when implementing the final rule to consolidate federal milk marketing orders. Option 1-A reflects the status-quo pricing structure in which milk marketing orders require milk processors to pay a certain minimum price for farm milk based on how the milk is used. In addition, the bill:

- \* requires the Agriculture Secretary to enter into formal rulemaking, on an emergency basis, to develop pricing formulas for Class III and Class IV milk within 10 months of enactment;
- \* prohibits the Agriculture Secretary from collecting assessments from milk producers or handlers to administer the federal milk market order program if the final rule regarding Class III and Class IV pricing formulas is delayed;
- \* specifies that the bill does not delay implementation of the final rule for consolidating federal milk market orders as modified by the 1998 Omnibus Appropriations bill (*P.L. 105-277*) for October 1, 1999;
- \* reduces the processors' manufacturing allowance for cheese from 17.02 cents per pound of cheese to 14.7 cents per pound as an interim measure while developing regulations regarding Class III and Class IV pricing formulas;
- \* extends for one year the dairy price support program, which authorizes USDA to purchase surplus dairy products in order to support farm milk prices. This program is currently due to expire on December 31, 1999;
- \* delays the implementation of the Recourse Loan Program for one year; and
- \* requires the Agriculture Secretary to implement a price-forward contracting program in federally regulated milk orders to allow producers and cooperatives to voluntarily contract with handlers.

As stated above, the rule self-executed a manager's amendment to make several changes to the bill. The amendment clarifies provisions of the final rule requiring USDA to publish a prospective pricing series regarding Class I milk on the last Friday before the 23<sup>rd</sup> day of the previous month. Should the announcement take place before enactment of the bill, the amendment allows the announced price structure to remain in effect for the time period specified in the announcement. The amendment requires any subse-

quent announcements to conform to the bill. The Agriculture Secretary must implement the Option 1-A fluid milk differentials as soon as practical. In addition, the amendment waives specific rulemaking and referendum requirements of the 1937 Agricultural Adjustment Act for implementing Option 1-A as the price structure for Class I milk and for adjustments to the manufactured product formula provisions. Finally, the amendment repeals the Recourse Loan Program for Commercial Processors of Dairy Products.

CBO estimates that enactment will reduce direct spending by \$102 million in FY 2000 but increase direct spending by \$149 million over FYs 2000-2004. The bill was introduced by Mr. Blunt and reported by the Agriculture Committee by a vote of 32-15 on June 30, 1999.

**Views:** The Republican leadership has taken no unified position on the measure. The Clinton Administration strongly opposes the bill and has threatened to veto it.

**Amendments:** The rule makes in order the following eight amendments, each debatable in the order listed and for the amount of time specified below:

**Messrs. Green (WI) and Ryan** will offer an amendment, debatable for 20 minutes, to require USDA to conduct a national referendum on Secretary Glickman's proposed milk marketing reforms with Options 1-A and 1-B as the only choices on the ballot. The amendment requires the referendum to take place with a single national vote, excluding California, to allow dairy farmers to make the final choice between Options 1-A and 1-B. *Staff Contacts: John Kerr (Green), x5-5665; Katy Crooks (Ryan), x5-3031*

**Messrs. Stenholm and Pombo** will offer an amendment, debatable for 40 minutes, to sunset the Forward Price Contracting Program on December 31, 2004, and limit its scope to apply only to milk other than that used for Class I purposes. The amendment also requires USDA to report to Congress on the Forward Price Contracting Program's operation. This amendment allows USDA five years to examine and report to Congress on the impact of this program. *Staff Contacts: John Riley (Stenholm), x5-7987; Jessica Carter (Pombo), x5-1947*

- \* **Mr. Dooley** will offer a secondary amendment to Stenholm/Pombo amendment, debatable for 10 minutes, to reinstate Class I with regard to the Forward Price Contracting Program, thus including milk used for fluid consumption in the program. *Staff Contact: Jim Travis, x5-3341*

**Messrs. Gutknecht, Ryan, and Green (WI)** will offer an amendment, debatable for 40 minutes, to prohibit cooperatives in non-cooperative markets to pay producers a "mail box" price (i.e., the final payment a farmer receives for milk) that is less than the federal milk marketing order blend minimum price. Current law allows co-ops to pay farmers less than the minimum price, thus exempting them from the milk marketing system. The amendment eliminates this disparity. *Staff Contact: Sam Willett (Gutknecht), x5-2472; Katy Crooks (Ryan), x5-3031; John Kerr (Green), x5-5665*

**Mr. Kind** will offer an amendment, debatable for 20 minutes, to allow Class I receipts to be pooled, thus allowing the differentials to be divided equally between dairy producers, regardless of the class of milk or the region from which it was produced. *Staff Contact: Brad Pfaff, x5-5506*

**Messrs. Ryan and Green (WI)** will offer an amendment, debatable for 20 minutes, to prohibit Class I differentials from exceeding \$2.27 in any milk marketing order region in the country. Amendment support-

ers argue that this will reduce the disparity of payments received by milk producers in different regions. **Staff Contacts:** *John Kerr (Green)*; x5-5665; *Katy Crooks (Ryan)*, x5-3031

**Messrs. Manzullo and Dooley** will offer an amendment, debatable for 40 minutes, to define the role of the U.S. Trade Representative (USTR) in implementing the bill. Specifically, the amendment requires the USTR to periodically review the bill's impact on international trade to ensure that it does not interfere with our nation's trade policy. If the USTR determines that the bill has a negative impact on any U.S. international trade negotiations, the bill's provisions will be nullified. **Staff Contacts:** *Kurt Markva (Manzullo)*, x5-5676; *Jim Travis (Dooley)*, x5-3341

**Messrs. Boehner and Obey** will offer an amendment, debatable for 60 minutes, to terminate the federal milk marketing order system on January 1, 2001. Supporters claim that this will encourage a more market-based milk system, in keeping with the intent of the 1996 farm bill. **Staff Contacts:** *Mike Sommers (Boehner)*, x5-6205; *Paul Carver (Obey)*, x5-3365

**Additional Information:** See *Legislative Digest*, Vol. XXVIII, #26, September 17, 1999.



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